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EXAMINER

POINVIL, FRANTZY

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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Paper No. 13

Application Number: 09/476,877

Filing Date: 01/03/00

Appellant(s): Lawrence M. Isabel

MAILED

DEC 21 2001

Technology Center 2100

Stanley B. Green
For Appellant

EXAMINER'S ANSWER

This is in response to appellant's brief on appeal filed 10/12/01.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

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The brief does contain a statement and no identification of a related appeals and interferences which will directly affect or be directly affected by or have a bearing on the decision in the pending appeal is contained in the brief.

(3) *Status of Claims*

The statement of the status of the claims contained in the brief is correct.

(4) *Status of Amendments After Final*

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) *Summary of Invention*

The summary of invention contained in the brief is correct.

(6) *Issues*

The appellant's statement of the issues in the brief is correct.

(7) *Grouping of Claims*

The rejection of claims 53-54, 57, 60, 61, 64-67, 71-75, 78-79 and 81-86 stand or fall together because appellant's brief does not include a statement that this grouping of claims does not stand or fall together and reasons in support thereof. See 37 CFR 1.192(c)(7).

(8) *Claims Appealed*

The copy of the appealed claims contained in the Appendix to the brief is correct.

(9) *Prior Art of Record*

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The following is a listing of the prior art of record relied upon in the rejection of claims under appeal.

ONSALE: ONSALE BRINGS THRILL OF AUCTIONS AND BARGAIN HUNTING ONLINE; UNIQUE INTERNET RETAIL SERVICE DEBUTS WITH WEEK-LONG CHARITY AUCTION FOR THE COMPUTER MUSEUM IN BOSTON", DIALOG FILE 610, ACCESSION NO. 0489267.

(10) *Grounds of Rejection*

Claims 53-54, 57, 60, 61, 64-67, 71-75, 78-79 and 81-86 remain rejected under 35 U.S.C.103(a). This rejection is set forth in prior Office action, Paper No. 13.

(11) *Response to Argument*

Appellant argues that claim 53 is directed at a computer implemented system for television licenses or associated derivative rights involving two types of components "an auctioneer's system and at least two user's systems" and the states that the ONSALE reference failed to teach the various claimed means recited in the claim.

In response, as per claims 53 and 60, the ONSALE reference comprises an auctioneer system such as a server connected to at least two remote user computer systems. The user computer systems are general purpose computers having means for communicating with the server or auctioneer system found in the ONSALE system. The ONSALE system also includes means for displaying types of messages; means for receiving bid related information from users and means for transmitting bid information to the auctioneer's system. As in most auction

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systems, an auctioneer usually determines or announces the time of start/end of an auction based on many criteria. An auction may end after an elapsed time period or after a number of items have been sold based on a monetary value. When these criteria have been set or have been reached, sending a message to bidders would have been obvious to one of ordinary skill in the art in order to inform them of the end of the auction and not to transmit any new or more bids. Thus, the decision means including means for initiating a non-final message to continue the auction and a final message to terminate the auction would have been based depending on the status of these criteria.

Appellant argues that there is no disclosure that identifies the presence of a "decision means" as recited in claim 53 and also argues that the reference lacks a showing of "determining...in response to the bid information received from users, whether the auction should continue or terminate".

In response, the ONSALE disclosure makes reference to different types of auction systems having different ending time periods. The auctioneer sending a message whether to continue or end a current auction would have been obvious to one of ordinary skill in the art whenever a certain criteria have been met or when the items become unavailable so as to prevent the system from accepting new or additional bids from bidders.

Applicant then argues that the reference does not indicate or regulate the operation of the "decision means".

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In response, the claimed invention refers to the decision means in response to related bid information. The phrase "bid related information" in the independent claims are not positively defined as to what they are or what they intend to be. The Examiner interprets "bid related information" simply as to any information such as "transmitted or received bids" having an impact on the bidding process. Thus, if a certain criteria is met, a decision to continue or stop a bidding process would have been obvious to one of ordinary skill in the art with the motivation of providing an interactive system.

The Examiner has cited *Bozek* in support of a sound rationale. Appellant then argues that *Bozek* deals with the question of considering , together the teachings of two different references and then states that *Bozek* is inapt.

In response, although one reference is being applied, the reasoning for citing *Bozek* is based on the ONSALE teachings and other teachings and rationale of what is "common knowledge and common sense" in the art. The Examiner had clearly indicated the importance on determining the continuance or stoppage of an auction system so as to create an interactive system with bidders and also because of many factors that would arise during the progress of an on-going bidding process. Thus the citation of *Bozek* is based on a teaching provided by the ONSALE system and also based on common knowledge and common sense rationale found in an auction system.

Appellant then argues that The Court of Appeals for the Federal Circuit in *In re Zurko* August 2, 2001 CA #96-1258 dealt with and rejected an allegation that "basic knowledge" or

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"common sense" cannot be used to bridge the gap between what is found in a reference and the subject matter of a rejected claim. Appellant then states that the common sense and common knowledge should not be admitted in the rejection.

In response, ending an auction is not an unexpected step in an auction system because auctions usually has an end. An auction is not a continuous or non-stop bidding process on an item without determining of a winner. This is different from the *Zurko* decision in which necessary steps were not present in the prior art and whereby logical reasoning could not have been logically arrived at along a trusted path. Thus, the instant application is different from *in re Zurko*. Furthermore, the Examiner has responded to arguments directed to the determination of whether to continue or terminate a "Dutch-auction" and a "Mark-down auction" which not are being claimed by the appellant.

Applicant then states that claim 67 is directed at a system "for conducting a computer implemented auction of television licenses or associated derivative rights" and that claim 81 is directed at a computer system for implementing an auction of television licenses or associated derivative rights which includes plural bidders. Appellant then states that the ONSALE system failed to teach the various means as recited in claims 67 and 84.

In response, the Examiner had clearly indicated that ONSALE is directed to an auction system which includes a standard, Dutch or Markdown type auction. Buyers and sellers bid on many different types of merchandises. The only difference between the instant invention and the

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ONSALE system is on the type of products/services being auctioned. Here, the Examiner had taken the position that it matters not as to the types of goods/services being offered. What is of importance is the functioning of the overall system of the instant claims. The Examiner notes that both the instant invention and the ONSALE system functions in a very similar manner with the exception of the types of goods/services being offered. The kinds/types of items being auctioned do not affect the functioning of the ONSALE system as these are merely types of data having no meaningful effect to the functioning of the auction system. It would have been obvious to one of ordinary skill in the art at the time of the invention was made to auction any types of goods/services in the ONSALE system as would have been desired to an auctioneer since no meaningful changes to the functioning of the overall system would have been necessitated.

Appellant then argues that both claims 67 and 81 are defining a computer system or computer implemented auction systems which include means for determining television licenses or associated derivative rights to be assigned to bidders or an allocation of television licenses or associated derivative rights to bidders which are not present in the ONSALE reference.

The Examiner acknowledges that the auction system described in the ONSALE reference does not detail any specific types of items being auctioned. The types of items being auctioned as claimed are nonfunctional descriptive material as they are not functionally involved in the recited steps or means. It would have been obvious to one of ordinary skill in the art at the time of the invention to use any type of items to be auctioned because the types of items do not functionally relate to the steps or means as they do not change the functioning of the overall system or

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computer implemented method. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983).

Appellant then states that claims 71, 78, 82 and 85 depend on respective claims 67, 74, 81 and 84 and recite that the auction is conducted in multiple rounds and argues that such is not present in the reference.

In response, conducting an auction in multiple rounds is well known and well practiced in the art in order to allow bidders to submit new bids or offers.

Appellant then argues that claims 54, 61, 65 75, 83 and 86 identifies a set of television licenses or an auction of any kind in which plural dissimilar items are auctioned and such is not present in the ONSALE system.

In response these data are descriptive material that do not change the functioning of the method or system. The types of data or the price of items do not affect the steps of the method of the functions of the system. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983).

Appellant then argues that claim 66 specifies the determining step is based on the comparison of the sum of the parameters PS_i from the selected bids and a function of the sum of the parameters P_i of an earlier round of selected bids.

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In response, these limitations would have been obvious to the skilled artisan when viewing the ONSALE system in order to determine the total of items being bidden on.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,


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PRIMARY EXAMINER

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